



Efficiency Vermont

2007

Energy Efficiency Utility and Efficiency Vermont Financial Results and Spending Report

The Financial Results and Spending Report

- This report provides a summary of 2007 Efficiency Vermont benefits, the expenditures of Vermont's Energy Efficiency Utility (EEU), and the 2007 Efficiency Vermont expenditures, presented by sector and function. This report will be issued annually, after verification by the Vermont Public Service Board.

The Energy Efficiency Utility and Efficiency Vermont

- The EEU was created by the Vermont Legislature and the Vermont Public Service Board. The EEU secures cost-effective efficiency resources through design and implementation of energy efficiency services to electricity customers throughout Vermont.
- The EEU operates through two mechanisms: (1) the Efficiency Vermont contract and (2) efficiency services offered by the City of Burlington Electric Department.
- Efficiency Vermont is the name under which statewide energy efficiency services are provided to reduce energy costs, strengthen the economy, and protect Vermont's environment. Efficiency Vermont is implemented through a competitively-bid, performance-based contract with the Public Service Board. The Efficiency Vermont contract is currently operated by Vermont Energy Investment Corporation (VEIC), a non-profit, independent energy services organization founded in 1986. The City of Burlington Electric Department provides EEU services in its territory, under a separate agreement with the Public Service Board.
- For additional information on Efficiency Vermont, go to the "Efficiency Vermont: 2007 Annual Report," available at www.encyvermont.com/pages/Common/AboutUs/AnnualReport, or refer to the Independent Audit of the Vermont Energy Efficiency Utility Fund, available from the Vermont Public Service Board.

Funding of the Energy Efficiency Utility

- Funds to operate the EEU are collected through the Energy Efficiency Charge on retail electric bills throughout Vermont. The amount of the charge is set by the Public Service Board.

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Summary of 2007 Efficiency Vermont Benefits

| | Total Benefits |
|--|----------------|
| 2007 MWh savings | 102,914 |
| Lifetime MWh savings of 2007 Efficiency Vermont investments | 1,061,927 |
| Lifetime economic benefits of 2007 Efficiency Vermont investments* | \$76 million |
| Overall lifetime economic value of all Efficiency Vermont investments since 2000 | \$400 million |

*Benefits include avoided costs of electricity, fossil fuels, and water.

For additional information on the benefits of Efficiency Vermont, please see the “2007 Highlights,” available at www.encyvermont.com/pages/Common/AboutUs/AnnualReport.



Summary of 2007 EEU Expenditures*

| | Total Costs |
|---|---------------------|
| Efficiency Vermont | \$19,334,720 |
| Vermont Department of Public Service: Monitoring & Evaluation | \$246,450 |
| Efficiency Vermont Performance Incentive Holdback | \$758,600 |
| Customer Credit Net Pay Option | \$933,000 |
| Gross Receipts Tax / Weatherization Assistance Trust | \$226,916 |
| Contract Administrator | \$138,272 |
| Fiscal Agent | \$15,000 |
| External Audit Fees | \$7,500 |
| Other Costs | \$7,392 |
| Total Expenditures | \$21,667,850 |

*These costs do not include EEU expenditures of the City of Burlington Electric Department (BED), which provides EEU services in its territory under a separate agreement with the Public Service Board. For information on BED's costs and savings, go to the City of Burlington Electric Department's 2007 Energy Efficiency Annual Report, available at www.burlingtonelectric.com/EnergyEfficiency/EnergyEfficiencyAnnualReport.pdf.



2007 Efficiency Vermont Expenditures by Sector

| | Business Energy Services | Residential Energy Services | Administration | Information Systems | Customer Credit Program | Total |
|--------------------------------|--------------------------|-----------------------------|----------------|---------------------|-------------------------|--------------|
| Total Costs for Year | \$8,628,863 | \$8,185,303 | \$337,467 | \$637,197 | \$1,545,890 | \$19,334,720 |
| Annual Budget Estimate* | \$12,273,000 | \$8,371,200 | \$536,100 | \$663,100 | \$847,100 | \$22,690,500 |
| Unspent Annual Budget Estimate | \$3,644,137 | \$185,897 | \$198,633 | \$25,903 | (\$698,790) | \$3,355,780 |

*Annual budget estimates are provided for informational purposes. The Efficiency Vermont contract is based on three-year cumulative budgets. The current three-year contract is from January 1, 2006 to December 31, 2008.



2007 Efficiency Vermont Expenditures by Function

| | 2007 | Cumulative beginning March 1, 2000* |
|---------------------------------------|---------------------|--|
| Services and Initiatives Costs | | |
| Operating Costs | | |
| Administration | \$337,467 | \$943,293 |
| Services and Initiatives | \$3,719,690 | \$22,044,111 |
| Marketing / Business Development | \$3,256,410 | \$15,228,660 |
| Information Systems | \$637,197 | \$3,165,702 |
| Subtotal Operating Costs | \$7,950,764 | \$41,381,766 |
| Incentive Costs | | |
| Incentives to Participants | \$7,251,309 | \$39,640,016 |
| Incentives to Trade Allies | \$22,358 | \$148,426 |
| Subtotal Incentive Costs | \$7,273,667 | \$39,788,442 |
| Technical Assistance Costs | | |
| Services to Participants | \$3,878,356 | \$18,559,790 |
| Services to Trade Allies | \$231,933 | \$1,873,473 |
| Subtotal Technical Assistance Costs | \$4,110,289 | \$20,433,263 |
| Total Efficiency Vermont Costs | \$19,334,720 | \$101,603,471 |

*March 1, 2000 was the date that Efficiency Vermont began operations.

